

State Impact

This bill could increase funding to the Uniform School Fund by \$15,419,400 (\$2,202,800 in Corporate Franchise and \$13,216,600 in Competitive Equity) if all eligible state chartered credit unions remain state chartered. If all credit unions that would become subject to the competitive equity fee become federally chartered there is a potential loss of \$212,000 restricted revenue to Financial Institutions and a loss of sales taxes from those institutions. If all credit unions eligible for the competitive equity fee remain in the state system but tailor their businesses so that they do not pay the competitive equity fee, the increase in Corporate Franchise taxes paid to the Uniform School Fund total \$2,202,800. The loss to Financial Institutions would not affect the operation of the Department.

	<u>FY 04 Approp.</u>	<u>FY 05 Approp.</u>	<u>FY 04 Revenue</u>	<u>FY 05 Revenue</u>
Uniform School Fund	\$0	\$0	\$15,419,400	\$15,419,400
TOTAL	\$0	\$0	\$15,419,400	\$15,419,400

Individual and Business Impact

Eligible credit unions will pay additional Corporate Franchise taxes and Competitive Equity fees.

Office of the Legislative Fiscal Analyst